



CWCC

Clean Water Construction Coalition
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ROBERT A. BRIANT, JR.
Chairman

October 3, 2018

- AGC of America
- AGC of Texas
- Alabama Utility Contractors Association
- Arizona Utility Contractors Association
- Associated Pennsylvania Constructors
- Associated Utility Contractors Of Maryland *
- Connecticut Construction Industries Association
- CIC of Westchester County & Hudson Valley *
- Engineering Contractors Association
- General Contractors Association Of New York
- Georgia Utility Contractors Association
- Indiana Constructors Inc.
- Long Island Contractors Association
- Maryland Transportation Builders & Materials Association
- Michigan Infrastructure & Transportation Association
- Minnesota Utility Contractors Association*
- National Rural Water Association
- New Mexico Utility Contractors Association
- Ohio Contractors Association
- Public Works Contractors Association of Maryland
- Tennessee Road Builders Association
- Underground Contractors Association of Illinois *
- United Contractors *
- UCA of Anne Arundel County
- Utility Contractors Association of New England *
- Utility & Transportation Contractors Association of New Jersey *
- Contractors Association Of West Virginia
- Wisconsin Underground Contractors Association

* Steering Committee Member

WRDA REAUTHORIZATION WILL ALMOST DOUBLE DWSRF BY 2020

In September, Congress announced a bipartisan, bicameral agreement on the Water Resources Development Act (WRDA). Formally titled the “America’s Water Infrastructure Act of 2018,” the consensus legislation was announced last week by House Transportation and Infrastructure Committee Chairman Bill Shuster (R-PA), House Transportation and Infrastructure Committee Ranking Member Peter DeFazio (D-OR), Senate Environment and Public Works Committee Chairman John Barrasso (R-WY), Senate Environment and Public Works Committee Ranking Member Tom Carper (D-DE), House Energy and Commerce Committee Chairman Greg Walden (R-OR), and House Energy and Commerce Committee Ranking Member Frank Pallone (D-NJ).

The bill would reauthorize the Drinking Water State Revolving Fund (DWSRF) at \$1.174B for Federal FY19, \$1.3B for Federal FY20 and \$1.95B for Federal FY21. We are finally seeing sustained growth in federal funding, a key position the CWCC has been advancing for years. Starting from a baseline of \$863M in Federal FY17, the Federal FY18 appropriation for DWSRF grew to \$1.16B. If this WRDA bill is authorized and implemented, the DWSRF would be funded at 180% of current levels (or 225% of Federal FY17 levels) by 2020. For Federal FY19, the gains achieved in Federal FY 18 have been sustained and slightly increased, which was our baseline expectation.

In addition, this bill reauthorizes WIFIA, making it into a permanent program and authorizing \$50M for each of FY20 and FY21 (\$50M can be leveraged to loan up to \$500M/year). It provides additional language for state financing authorities – allowing 100% loans so long as the State is responsible for any defaults for this assistance. It includes some (but not all) of the previously discussed SRF WIN Act provisions. It does not reauthorize the Clean Water SRF (CWSRF) but that doesn’t mean there won’t continue to be an appropriation action, as Congress has been working without a CWSRF reauthorization for many years. CWSRF will likely be funded through the Federal FY 19 Interior & Environment Appropriations Bills currently in conference.

This bill has passed the House. Key Advocate’s Sante Esposito, informs us that based on conversations with Senate Environment Public Works Committee staff, a floor vote in the Senate is expected later this week or early next week. CWCC staff will keep you posted.

HELP CWCC ELEVATE PUBLIC AWARENESS ON THE NEED TO INCREASE INVESTMENT IN WATER INFRASTRUCTURE

This year the CWCC became involved with the US Water Alliance in an effort to complement the work already underway through the Clean Water Construction Coalition. The

US Water Alliance is spearheading a national campaign to get the general public thinking more about our water systems, the role they play in our lives, and the importance of investment.

The CWCC encourages its members to participate in [Imagine A Day Without Water](#) event being held on Wednesday, October 10th. This national campaign is an excellent way to get the general public thinking more about our water systems, the role they play in our lives, and the importance of increasing investment in them. It is going to take this level of effort to draw attention to the invisible challenges plaguing our water infrastructure.

Please see some templates we have created for use in New Jersey, including [infographics in this social media toolkit](#) that you could refine to post on Twitter, Facebook, and/or Instagram or through your more conventional communications tools like newsletters and magazines. Consider partnering with another local organization who cares about water. For example, a local brewery, coffee shop, non-profit, schools, car washes, Chambers of Commerce, or city councils to name a few.

You can also have your organization sign up as a participant [here](#).

Any questions? Please contact Dan Kennedy, UTCA's Director of Environmental & Utility Operations via email (kennedy@utcanj.org) or phone (732-292-4300).

LARGER INFRASTRUCTURE PACKAGE DISCUSSIONS TO CONTINUE THROUGH LAME DUCK OR NEXT YEAR

As the nation's attention was set on the Supreme Court confirmation process, the only infrastructure activities this month were reauthorization of the Federal Aviation Administration and previously mentioned reauthorization of WRDA. The Senate Republican leadership announced that the plan is for the Senate to be in session most of October. However, the expectation is that both Houses will recess as soon as possible for campaigns. CWCC representatives anticipate a mega infrastructure effort will occur either in the lame duck session or next year. Administration officials continue to engage key Congressional Members and committees in support of a major infrastructure effort. CWCC representatives will continue to advocate for the highest increase levels of investment for the nation's water infrastructure.

FEDERAL FISCAL YEAR 2019 APPROPRIATIONS UPDATE

Congress passed a Continuing Resolution extending funding until December 7, 2018 at federal FY 2018 levels for those appropriations bills not enacted by October 1, 2018. That includes the Interior & Environment Appropriations bill which include funding for the CWSRF program and the Transportation Appropriations Bills which are currently in conference and are expected to be finalized soon. It does not include the Energy and Water Appropriations Bill (Corps of Engineers and Drinking Water) which was signed into law on September 21, 2018.

A summary of Federal FY 2019 Transportation Appropriations Bills and a comparison table of the funding levels being negotiated are included in the attached report.

KEY ADVOCATES REPORT

Included with this notice is Key Advocates recent report which is current to the end of September.



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October 2018 Insights

Infrastructure Initiative

This month the primary focus of the Congress was on the Supreme Court nomination and the FY19 appropriations bills. The goal of the appropriators was to pass as many bills as possible by Oct. 1 to narrow the scope of any continuing resolution. As reported, the President had threatened to veto any CR if it did not include funding for the border wall. However, that issue has now been put off until at least the lame duck session. Significant progress was made on the appropriations bills – noted below. The only infrastructure activities this month were reauthorization of the Federal Aviation Administration and reauthorization of the Water Resources Development Act (WRDA) – regarding the latter, also note below. How soon after Oct. 1 the Congress will be in session to do legislative business is unclear. The Senate Republican leadership announced that the plan is for the Senate to be in session most of October. However, the expectation is that both Houses will recess as soon as possible for campaigns. Given all that, realistically a mega infrastructure effort will occur either in the lame duck session or next year. And the results of the election will have much to say on that. Pending that, the Administration continues to engage key Members and committees in support of a major infrastructure effort. In making the rounds with key committees on September 26 - and there are many committees that would be involved - we also learned that progress has been slow but again the pressure and political decision to move ahead in earnest on a bill have not yet materialized.

WRDA Reauthorization

Agreement was reached between House and Senate committees on a WRDA bill. The bill passed on the House floor under suspension of rules, and the Senate is expected to pass it next week. To recap, the previous House version (H.R. 8) is an Army Corps-only, while the Senate version (S. 2800) is much broader. The Senate version also contains helpful funding programs, including modified versions of the Boozman/Feinstein SRF-WIN Act (S.2364) and of H.R. 5596 (Carbajal/Reed bill).

The version that has been agreed to can be found as S.3021 and is named “America’s Water Infrastructure Act of 2018”. It expands beyond the House version. It reauthorizes WIFIA, making it into a permanent program and authorizing \$50 M for each of FY 20 and FY21 (\$50 M can be leveraged to loan up to \$500 M/year). It provides additional language for state financing authorities – allowing 100% loans so long as the State is responsible for any defaults for this assistance. It does not include the full SRF WIN Act provisions, nor any of the Carbajal bill with the new EPA grant program, nor the language on “robust funding” for the SRF. It does include an entire title for Safe Drinking Water, including reauthorization of the Drinking Water SRF, but it does not reauthorize the Clean Water SRF. It is unclear now what bill may include CWSRF reauthorization – but that doesn’t mean there won’t continue to be CWSRF appropriations, as Congress has been working without a CWSRF reauthorization for many years. Much of this push

for the DWSRF and included drinking water programs in this bill is because of the Flint, Michigan, et al lead crisis.

Other Bills

There are still the original Boozman/Feinstein SRF WIN Bill, and the Carbajal/Reed bill, both of which have bipartisan support. To review, S. 2364 was introduced by Senators John Boozman (R-AR), Chair of the Water Subcommittee of the Environment and Public Works Committee (EPW), and Senator Diane Feinstein (D-CA), Ranking Democrat of the Energy and Water Appropriations Subcommittee. H.R. 4902 was introduced by Congressmen John Katko (R-NY-24), a member of the Water Resources Subcommittee of the Transportation and Infrastructure Committee, and Earl Blumenauer (D-OR-3), a member of the Ways and Means Committee (now with 7 sponsors) and, if you recall, the author of the voluntary fee labeling bill.

Generally, the bills - a new loan program - are intended to combine the “best aspects of the SRF’s with the leveraging power of WIFIA.” Specifically, the bills authorize \$200M for each of FY19-23 for states to apply for loans. There is a \$7B per state loan cap for the 5 years. Fifty percent of the funds would be loaned at the current Treasury rate. The bill states that those funds would support \$10B in loans per year. The other fifty percent would go to states that receive less than 2 percent of the total amount of funds made available to the states for the state loan funds for the most recent fiscal year OR to major disaster declared states if the loan is for a project related to wastewater or drinking water infrastructure damaged by the disaster. The bills state that those funds would support \$850M in loans per year. The Federal share for loans is up to \$100%. Eligible project activities are those included in a state’s SRF “intended use plan.”

The \$100,000 WIFIA application fee is waived. The application process is limited to 180-days maximum. No new project approval requirements would be needed - existing approvals would suffice. The new program is tied to FY18 appropriation levels for the SRF’s - if at any year in the appropriations process the SRF funding levels are below the FY18 levels, this new program will not kick in for that year.

H.R. 5596 was introduced on April 24 by Congressmen Salud Carbajal (D-CA-24) and Tom Reed (R-NY-23) and H.R. 5609 and introduced on April 25 by Congressman Keith Ellison (D-MN-5). H.R. 5596 authorizes \$50M for each of FY18-22 for a new EPA grant program for owners or operators of water systems who wish to increase resiliency or adaptability to extreme weather events. Eligible projects include efforts to conserve water or increase efficiency in its use, preserve or improve water quality, rebuild or relocate threatened infrastructure, protect source waters, etc. The Federal share is 75%. H.R 5609 creates a new water trust fund financed by increasing the corporate tax rate from 21 to 24.5% with an annual funding cap of up to \$35B going into the trust fund. Of that amount, 45% would be available for the Clean Water SRF and 44% for the Safe Drinking Water SRF. Other water programs – pollution control, non-point source, agriculture programs, etc. – make up the balance.

We continue to monitor these and other bills that have introduced that represent issues of interest to legislators and serve to position themselves for a future infrastructure bill. There have been no substantive developments to the bills of interest to the Coalition - H.R. 3275, the WEST Act; H.R. 2510, the “Water Quality Protection and Job Creation Act of 2017;” H.R. 5127, the “Water Recycling Investment and Improvement Act;” and, H.R. 1647, the Water Infrastructure Trust Fund Act of 2017” - since the last report.

Lastly, the Democrats on the House Natural Resources Committee continue to look at McNerney’s WEST Act (H.R. 3275), which the Coalition was very much involved in, with the goal of re-writing the bill to reflect the Committee’s jurisdiction and introducing it as such. Progress is slow.

FY 19 Federal Funding Generally

Congress passed a Continuing Resolution extending funding until Dec. 7 at FY18 levels for those appropriations bills not enacted by Oct. 1. That includes the Interior (SRF funding) and Transportation Appropriations Bills which are currently in conference and are expected to be finalized soon. It does not include the Energy and Water Appropriations Bill (Corps of Engineers) which was signed into law on Sept. 21.

FY19 Interior Appropriations Bills

The bills are in conference to and it is expected that agreement will be reached soon. The Senate version contains higher appropriations for CWSRF and WIFIA than the House version. Specifically, the House bill contains lower numbers (\$1.34 for the CWSRF and \$900M for the SDWSRF) than the Senate despite the FY19 raised budget caps. The Senate has the same numbers as for FY18, which are \$1.694B for the CWSRF and \$1.16B for the SDWSRF. The House provides \$75M for WIFIA and the Senate \$63M.

FY19 Transportation Appropriations Bills

Even though both the House and Senate bills have not been passed, they are in conference and it is expected that agreement will be reached soon as the funding levels in the bills are not far apart.

Program	FY'17 Enacted	FY'18 Enacted	House Committee-Passed FY'19 Bill	Final Senate 19 Bill
Highway Program	\$43.26B	\$47.5BB	\$50.3B	\$48.57B
BUILD/TIGER Grants	\$500M	\$1.5B	\$750M	\$1B
FTA CIG Grants - New Starts/Small Starts/Core Capacity	\$2.41B	\$2.65B	\$2.61B	\$2.6B
FTA Formula Grants	\$9.73B	\$10.5B	\$10.7B	\$10.7B
FTA WMATA	\$150M	\$150M	\$150M	\$150M
FAA Airport Improvement Program (AIP)	\$3.35B	\$4.35B	\$3.85B	\$4.1B
Amtrak NEC	\$328M	\$650M	\$650M	\$650M
Amtrak National Network	\$1.16B	\$1.29B	\$1.29B	\$1.29B
FRA CRISI Grants	\$68M	\$593M	\$300M	\$255M
FRA SOGR Grants	\$25M	\$250M	\$500M	\$300M
FRA Restoration Grants	\$5M	\$20M	\$0	\$10M

Earmarks

Last November there was an effort in the House Republican caucus to bring back earmarks in a more limited way. While there was widespread support in the caucus for doing so, Speaker Ryan pushed back and suggested that the issue be addressed in the first or second quarters of this year. Pending that came the election of President Trump who has on more than one occasion expressed support for earmarks. Last July, the House Rules Committee held a two-day hearing session on the issue. The Committee made no recommendation but referred the matter to the Republican and Democratic caucuses. Both caucuses discussed the issue but took no action. Following that was a lull – no additional action on the issue until a few weeks ago when in a news conference, the Speaker said that earmarks is something the caucus will likely “wrestle with” after the midterms. He also alluded to ongoing conversations with the House Democratic leadership on the issue. In that regard, we have confirmed that Democratic Minority Whip Steny Hoyer has drafted an outline proposal to bring earmarks back. No details are known as yet.

Bill Tracking

H.R.434 — 115th Congress (2017-2018) **New WATER Act Sponsor:** Rep. Denham, Jeff [R-CA-10] (Introduced 01/11/2017) **Cosponsors:** (9) **Committees:** House - Natural Resources

Status Update: no change since the last report.

H.R.23 — 115th Congress (2017-2018) **Gaining Responsibility on Water Act of 2017** **Sponsor:** Rep. Valadao, David G. [R-CA-21] (Introduced 01/03/2017) **Cosponsors:** (14) **Committees:** House - Natural Resources, Agriculture **Latest Action:** Passed House on July 12.

Status Update: no change since the last report.

H.R.465 — 115th Congress (2017-2018) **To amend the Federal Water Pollution Control Act to provide for an integrated planning and permitting process, and for other purposes.** **Sponsor:** Rep. Gibbs, Bob [R-OH-7] (Introduced 01/12/2017) **Cosponsors:** (1, now 8) **Committees:** House - Transportation and Infrastructure

Status Update: no change since the last report.

H.R.547 — 115th Congress (2017-2018) **National Infrastructure Development Bank of 2017** **Sponsor:** Rep. DeLauro, Rosa L. [D-CT-3] (Introduced 01/13/2017) **Cosponsors:** (73, now 86) **Committees:** House - Energy and Commerce, Transportation and Infrastructure, Financial Services, Ways and Means

Status Update: no change since the last report.

H.R.2479 — 115th Congress (2017-2018) **Leading Infrastructure for Tomorrow's America Act** **Sponsor:** Rep. Pallone, Frank, Jr. [D-NJ-6] (Introduced 05/17/2017) **Cosponsors:** (25) **Committees:** House - Energy and Commerce, Science, Space, and Technology, Transportation and Infrastructure, Ways and Means, Natural Resources

Status Update: no change since the last report.

H.R.100 — 115th Congress (2017-2018)

Support Local Transportation Act

Sponsor: Rep. Brownley, Julia [D-CA-26] (Introduced 01/03/2017) **Cosponsors:** (0, now 2)

Committees: House - Transportation and Infrastructure

Status Update: no change since the last report.

H.R.481 — 115th Congress (2017-2018)

REBUILD Act

Sponsor: Rep. Calvert, Ken [R-CA-42] (Introduced 01/12/2017) **Cosponsors:** (0)

Committees: House - Natural Resources

Status Update: no change since the last report.

H.R.966 — 115th Congress (2017-2018)

TIGER CUBS Act

Sponsor: Rep. Larsen, Rick [D-WA-2] (Introduced 02/07/2017) **Cosponsors:** (5, now 8)

Committees: House - Appropriations, Budget.

Status Update: no change since the last report.

S.846 — 115th Congress (2017-2018)

SAFE Bridges Act of 2017

Sponsor: Sen. Shaheen, Jeanne [D-NH] (Introduced 04/05/2017) **Cosponsors:** (4)

Committees: Senate - Environment and Public Works

Status Update: no change since the last report.

H.R.1670 — 115th Congress (2017-2018)

Infrastructure 2.0 Act

Sponsor: Rep. Delaney, John K. [D-MD-6] (Introduced 03/22/2017) **Cosponsors:** (21)

Committees: House - Ways and Means, Transportation and Infrastructure, Rules

Status Update: no change since the last report.

H.R.1669 — 115th Congress (2017-2018)

Partnership to Build America Act of 2017

Sponsor: Rep. Delaney, John K. [D-MD-6] (Introduced 03/22/2017) **Cosponsors:** (23, now 27)

Committees: House - Transportation and Infrastructure, Ways and Means

Status Update: no change since the last report.

S.1756 — 115th Congress (2017-2018)

Rebuild America Now Act

Sponsor: Sen. Sullivan, Dan [R-AK] (Introduced 08/03/2017) **Cosponsors:** (11)

Committees: Senate - Environment and Public Works

Status Update: no change since the last report.